

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

A	
W-02494A Ashcreek Water Company P. O. Box 182 Central AZ 85531	ARIZONA CORPORATION COMMISSION RECEIVED APR 17 2003 Director of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2002
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*Entered
4/25/03
C.M.*

FOR COMMISSION USE

<i>ANX104</i>	<i>02</i>
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OK

COMPANY INFORMATION

Company Name (Business Name) <u>Ash Creek Water Company</u>		
Mailing Address <u>Box 182</u>		
<u>Central</u> (City)	<u>Az</u> (State)	<u>85531</u> (Zip)
<u>928-428-2736</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)
Email Address <u>N/A</u>		
Local Office Mailing Address <u>Box 182</u>		
<u>Central</u> (City)	<u>Az</u> (State)	<u>85531</u> (Zip)
<u>928-428-2736</u> Local Office Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)
Email Address <u>N/A</u>		

MANAGEMENT INFORMATION

Management Contact: <u>Robin Smith</u>			<u>Manager</u>
(Name)			(Title)
<u>956 Stratton Dr</u> (Street)	<u>Safford</u> (City)	<u>Az</u> (State)	<u>85546</u> (Zip)
<u>928-428-5940</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			
On Site Manager: <u>Robin Smith</u>			
(Name)			
<u>956 Stratton Dr</u> (Street)	<u>Safford</u> (City)	<u>Az</u> (State)	<u>85546</u> (Zip)
<u>928-428-5940</u> Telephone No. (Include Area Code)	<u>N/A</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			

Statutory Agent: Robin C. Smith
(Name)

956 Straton Dr Safford
(Street) (City)

Az 85546
(State) (Zip)

928-428-2736
Telephone No. (Include Area Code)

N/A
Fax No. (Include Area Code)

N/A
Pager/Cell No. (Include Area Code)

Attorney: David C. Kennedy
(Name)

818 E. Osborn Road Suite 103 Phoenix
(Street) (City)

Az 85014
(State) (Zip)

602-287-0340
Telephone No. (Include Area Code)

602-287-8767
Fax No. (Include Area Code)

N/A
Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input checked="" type="checkbox"/> Partnership (P) LLC | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input checked="" type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Ash Creek Water CoUTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	650	—	650
302	Franchises	—	—	—
303	Land and Land Rights	1000	—	1000
304	Structures and Improvements	443	310	133
307	Wells and Springs	6520	—	6520
311	Pumping Equipment	6070	—	—
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	789	654
331	Transmission and Distribution Mains	64,617	43388	20 629
333	Services	—	—	—
334	Meters and Meter Installations	14,200	8098	6102
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	1150	850
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	1700	846	860
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98,043	54,584	37,998

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	650	0	0
302	Franchises	—	—	—
303	Land and Land Rights	1000	0	0
304	Structures and Improvements	443	5	22
307	Wells and Springs	6520	0	0
311	Pumping Equipment	6070	5	303
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	1443	5	72
331	Transmission and Distribution Mains	64017	5	3200
333	Services	—	—	—
334	Meters and Meter Installations	14439	5	722
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2000	5	100
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	17000	5	85
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	98282		4504

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3570.64	\$ 4763.81
134	Working Funds	—	—
135	Temporary Cash Investments	—	—
141	Customer Accounts Receivable	832.30	1601.05
146	Notes/Receivables from Associated Companies	—	— 3508.50
151	Plant Material and Supplies	1468.44	3508.50
162	Prepayments	—	—
174	Miscellaneous Current and Accrued Assets	—	—
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 5871.38	\$ 9872
	FIXED ASSETS		
101	Utility Plant in Service	\$ 98282	\$ 98043
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	41599	54584
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 56683	\$ 43459
	TOTAL ASSETS	\$ 57270	\$ 41857.95

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 4389	\$ 4370
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	300	1600
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4689	\$ 5970
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 9475	\$ 9475
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	825	825
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 825	\$ 825
	TOTAL LIABILITIES	\$ 14989	\$ 16270
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 37,411	\$

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 39739	\$ 33056
460	Unmetered Water Revenue	—	—
474	Other Water Revenues	—	—
	TOTAL REVENUES	\$ 39739	\$ 33056
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 6543	\$ 1800
610	Purchased Water	—	—
615	Purchased Power	1312	2490
618	Chemicals	—	—
620	Repairs and Maintenance	4674	3215.00
621	Office Supplies and Expense	1466	3589.00
630	Outside Services	4374	6112.00
635	Water Testing	2995	3436.00
641	Rents	5251	3898.00
650	Transportation Expenses	257	877.00
657	Insurance - General Liability	—	—
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense - Rate Case	3000	2000
675	Miscellaneous Expense	—	—
403	Depreciation Expense	4504	4504
408	Taxes Other Than Income	260	—
408.11	Property Taxes	2038	1888
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 36674	\$ 42814
	OPERATING INCOME/(LOSS)	\$	\$ 9458
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$54 Income	\$25 Income
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	215 (expense)	133
	TOTAL OTHER INCOME/(EXPENSE)	\$ 161 ex	\$ 100 exp
	NET INCOME/(LOSS)	\$ 2904	\$ 9374 867

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	3/1989			
Source of Loan	Back Wages			
ACC Decision No.				
Reason for Loan	Back Wages			
Dollar Amount Issued	\$ 9475	\$	\$	\$
Amount Outstanding	\$ 9475	\$	\$	\$
Date of Maturity	N/A			
Interest Rate				
Current Year Interest	\$ 0	\$	\$	\$
Current Year Principle	\$ 9475	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 6124

Meter Deposits Refunded During the Test Year

\$ 19

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
621788	1	27		8	2	
621786	1.5	35		6	2	

- * Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
	Nil	
	Nil	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
None			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1		
10,000	1	2000	One

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	5 miles
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	75	534210	
FEBRUARY	75	512340	
MARCH	75	523712	
APRIL	74	563480	
MAY	74	644790	
JUNE	76	545850	
JULY	76	1148910	
AUGUST	77	1136300	
SEPTEMBER	74	765666	
OCTOBER	73	916040	
NOVEMBER	73	672710	
DECEMBER	74	497850	
TOTAL		N/A	

8461852 ^{cm}

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

(☒) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(☒) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. _____ mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Ash Creek Water Company YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 1868

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Ash Creek Water Company YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Partnership
Estimated or Actual Federal Tax Liability Not filed

State Taxable Income Reported partnership
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected None
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

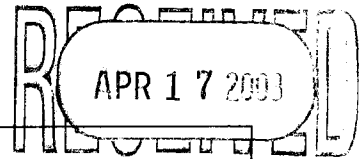
4-15-03
DATE

Robin C. Smith
PRINTED NAME

Managing Partner
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATE
COMMISSION



VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Graham Co. Az
NAME (OWNER OR OFFICIAL) TITLE	Robin C. Smith Manager
COMPANY NAME	Ash Creek Water Co. LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 33056

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2030

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

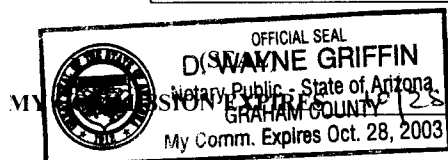
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

SIGNATURE OF OWNER OR OFFICIAL
928-428-5940
TELEPHONE NUMBER

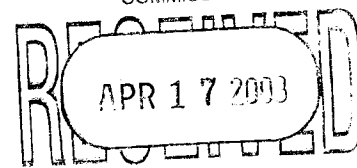
COUNTY NAME	Graham
MONTH	April
	2003



SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Graham</u>	
NAME (OWNER OR OFFICIAL) <u>Robin C Smith</u>	TITLE <u>Manager</u>
COMPANY NAME <u>Ash Creek Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>33056</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2030
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Robin C Smith
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

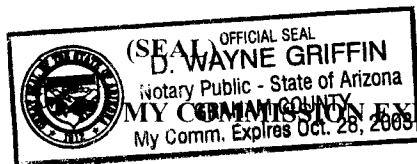
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF

NOTARY PUBLIC NAME <u>D. Wayne Griffin</u>	
COUNTY NAME <u>Graham</u>	
MONTH <u>April</u>	YEAR <u>2003</u>



X *D. Wayne Griffin*
SIGNATURE OF NOTARY PUBLIC

10/28/2003

**ASH CREEK WATER COMPANY
A. LIMITED COMPANY**
P.O. BOX 182
CENTRAL, AZ 85531

91-29
1221
07929875
DATE 12-23-02

512

PAY TO THE ORDER OF Graham County Treasurer \$ 1192.32
Eleven hundred ninety two and 32/100 DOLLARS

BANK ONE.
Bank One, Arizona, NA
Phoenix, Arizona 85073
www.bankone.com

MEMO Property Tax 1st + 2nd Pmt 2002 Polin Christ

⑆122100024⑆ 07929875⑆0512 ⑆0000119232⑆

Wednesday, July 31, 2002, 09:08:10 AM
Operator - Treas

Thank you for payment of:
Payment applied to the 2001 Tax Year

Owner Paid, Check
Ashcreek Water Co
Tax Year: 2001
Tax Roll Number: 14095
Parcel ID: 934-40-680

Previous Balance:
Taxes: \$725.29
Total Fee(s)/Interest: \$1,394.78
Previous Payments: \$27.90
Current Payment Amount: \$697.39
Remaining Balance: \$725.29

Taxes Paid This Payment: \$697.39
Interest Paid This Payment: \$27.90
Fees Paid This Payment: \$0.00

PA Check #467
July 31, 2002
Polin Christ

**ASH CREEK WATER COMPANY
A. LIMITED COMPANY**
P.O. BOX 182
CENTRAL, AZ 85531

91-29
1221
07929875
DATE 7/31/02

467

PAY TO THE ORDER OF JEAN REYNOLDS, COUNTY TREASURER \$ 725.29
Seven hundred twenty-five and 29/100 DOLLARS

BANK ONE.
Bank One, Arizona, NA
Phoenix, Arizona 85073
www.bankone.com

MEMO 2001 Taxes Polin Christ

⑆122100024⑆ 07929875⑆0467 ⑆0000072529⑆